April 19, 2010

Jane K. Yura
Vice President, Regulation and Rates
Pacific Gas and Electric Company
77 Beale Street, Mail Code B10B
P.O. Box 770000
San Francisco, CA 94177

Subject: Request for Approval to Carry Forward Remaining Unspent Low Income Energy Efficiency (LIEE) Funds from Program Year (PY) 2009 to PY 2010

Dear Ms. Yura:

Advice Letter 3075-G/3585-E is effective January 28, 2010.

Sincerely,

Julie A. Fitch, Director
Energy Division
December 29, 2009

Advice 3075-G/3585-E
(Pacific Gas and Electric Company ID U 39 M)

Public Utilities Commission of the State of California

Subject: Request for Approval to Carry Forward Remaining Unspent Low Income Energy Efficiency (LIEE) Funds from Program Year (PY) 2009 to PY 2010

In compliance with Decision (D.) 08-11-031, Decision on Large Investor Owned Utilities LIEE and California Alternate Rates for Energy (CARE) Applications, Pacific Gas and Electric Company (PG&E) hereby submits this advice filing to request approval to carry forward unspent Program Year (PY) 2009 LIEE funds to PY 2010.

Background

On November 6, 2008, the Commission approved D. 08-11-031, Decision on Large Investor Owned Utilities LIEE and California Alternate Rates for Energy (CARE) Applications, in which Ordering Paragraph (OP) 85 authorizes the utilities to “carry over of remaining, unspent funds from program year to program year or budget cycle to budget cycle: The utilities may carry over funds from previous periods to the 2009-2011 budget periods but may not allocate carry-over funds to administrative overheads, regulatory compliance costs, measurement and evaluation, or pilots and studies.” OP 85 further states that “fund shifting from one year to another within 2009-11 cycle: Allowed up to 15% of total LIEE budget without Advice Letter subject to limitation below; Tier 2 Advice Letter pursuant to General Order 96-B required for larger amounts.”

Due to a later than expected Commission Decision and a complicated “three measure” rule, which did not get resolved until June 2009, PG&E experienced a slower than expected program start-up. Currently, PG&E projects that by the end of the 2009 program year, it will have underspent its gas and electric LIEE budgets by approximately 17%, or $18.7 million,\(^1\) and served approximately 82,000 homes.\(^2\) The exact amount of the remaining PY 2009 LIEE budget and the number of homes PG&E will have served in 2009 will be detailed in PG&E’s LIEE Annual

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\(^1\) This amount excludes approximately $8.7 million in PY 2008 electric carry over funding.

\(^2\) Per D. 08-11-031, the projected number of homes that PG&E is to serve in 2009 is 90,903.
Report issued May 1, 2010. PG&E plans to serve the remaining 2009 units in addition to the 125,000 homes the Commission targeted PG&E to serve in 2010.

As directed by D. 08-11-031, PG&E hereby requests permission to carry forward its unspent PY 2009 gas and electric LIEE funds to augment its PY 2010 budget so that it may serve these additional homes. As stated in the Decision, these funds will be used towards measures and will not be allocated to administrative overheads, regulatory compliance costs, measurement and evaluation, or pilots and studies.

Below is a detailed forecast of PG&E’s PY 2009 LIEE budget through December 31, 2009.

<table>
<thead>
<tr>
<th>PG&amp;E’s PY 2009 LIEE Total Operating Forecast vs. Authorized Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecast through December 31, 2009</td>
</tr>
<tr>
<td>Energy Efficiency Total</td>
</tr>
<tr>
<td>Other Program Activities Total</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

*Above Budget per Advice Letter 2979-G/3375-E; Approved to readjust the PY09-11 gas and electric LIEE expense ratio and budget allocation factors.

**Protests**

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than January 19, 2010, which is 21 days after the date of this filing. Protests should be mailed to:

CPUC Energy Division  
Tariff Files, Room 4005  
DMS Branch  
505 Van Ness Avenue  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: jnj@cpuc.ca.gov and mas@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:
Effective Date

PG&E requests that this advice filing become effective on regular notice, **January 28, 2010**, which is 30 calendar days after the date of filing. In accordance with D.08-11-031, PG&E files this advice letter as a Tier 2 filing.

Notice

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes to the General Order 96-B service list and all electronic approvals should be directed to email PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: [http://www.pge.com/tariffs](http://www.pge.com/tariffs).

Vice President, Regulatory Relations

Attachments

cc: Service List A.08-05-022
Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 M)**

<table>
<thead>
<tr>
<th>Utility type:</th>
<th>Contact Person: Olivia Brown</th>
</tr>
</thead>
<tbody>
<tr>
<td>✅ ELC</td>
<td>Phone #: 415.973.9312</td>
</tr>
<tr>
<td>✅ GAS</td>
<td>E-mail: <a href="mailto:oxb4@pge.com">oxb4@pge.com</a></td>
</tr>
<tr>
<td>□ PLC</td>
<td></td>
</tr>
<tr>
<td>□ HEAT</td>
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<tr>
<td>□ WATER</td>
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</table>

**EXPLANATION OF UTILITY TYPE**

<table>
<thead>
<tr>
<th>ELC = Electric</th>
<th>GAS = Gas</th>
<th>PLC = Pipeline</th>
<th>HEAT = Heat</th>
<th>WATER = Water</th>
</tr>
</thead>
</table>

**Advice Letter (AL) #:** 3075-G/3585-E

**Tier:** 2

**Subject of AL:** Request for Approval to Carry Forward Remaining Unspent Low Income Energy Efficiency (LIEE) Funds from Program Year (PY) 2009 to PY 2010

**Keywords (choose from CPUC listing):** LIEE/Low-Income Energy Efficiency

**AL filing type:** □ Monthly □ Quarterly □ Annual ✅ One-Time □ Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #: D.08-11-031

Does AL replace a withdrawn or rejected AL? No

If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: N/A

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement: N/A

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: N/A

Resolution Required? □ Yes ✅ No

Requested effective date: **January 28, 2010**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting). N/A

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**CPUC, Energy Division**
Tariff Files, Room 4005
DMS Branch
505 Van Ness Ave., San Francisco, CA 94102

jnj@cpuc.ca.gov and mas@cpuc.ca.gov

**Pacific Gas and Electric Company**
Attn: Brian K. Cherry, Vice President, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com
Aglet
Alcantar & Kahl
Ameresco
Anderson & Poole
Arizona Public Service Company
BART
BP Energy Company
Barkovich & Yap, Inc.
Bartle Wells Associates
C & H Sugar Co.
CA Bldg Industry Association
CAISO
CLECA Law Office
CSC Energy Services
California Cotton Ginners & Growers Association
California Energy Commission
California League of Food Processors
California Public Utilities Commission
Calpine
Cameron McKenna
Casner, Steve
Chamberlain, Eric
Chevron Company
Chris, King
City of Glendale
City of Palo Alto
Clean Energy Fuels
Coast Economic Consulting
Commerce Energy
Commercial Energy
Consumer Federation of California
Crossborder Energy
Davis Wright Tremaine LLP
Day Carter Murphy
Defense Energy Support Center
Department of Water Resources
Department of the Army
Dept of General Services
Division of Business Advisory Services
Douglas & Liddell
Douglas & Liddell
Downey & Brand
Duke Energy
Dutch, John
Ellison Schneider & Harris LLP
FPL Energy Project Management, Inc.
Foster Farms
G. A. Krause & Assoc.
GLJ Publications
Goodin, MacBride, Squier, Schlotz & Ritchie
Green Power Institute
Hanna & Morton
International Power Technology
Intestate Gas Services, Inc.
Los Angeles Dept of Water & Power
Luce, Forward, Hamilton & Scripps LLP
MBMC, Inc.
MRW & Associates
Manatt Phelps Phillips
Matthew V. Brady & Associates
McKenzie & Associates
Merced Irrigation District
Mirant
Modesto Irrigation District
Morgan Stanley
Morrison & Foerster
New United Motor Mfg., Inc.
Norris & Wong Associates
North Coast Solar Resources
Occidental Energy Marketing, Inc.
OnGrid Solar
Praxair
R. W. Beck & Associates
RCS, Inc.
Recon Research
SCD Energy Solutions
SCE
SMUD
SPURR
Santa Fe Jets
Seattle City Light
Sempra Utilities
Sierra Pacific Power Company
Silicon Valley Power
Silo Energy LLC
Southern California Edison Company
Sunshine Design
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tecogen, Inc.
Tiger Natural Gas, Inc.
Tioga Energy
TransCanada
Turlock Irrigation District
U S Borax, Inc.
United Cogen
Utility Cost Management
Utility Specialists
Verizon
Wellhead Electric Company
Western Manufactured Housing Communities Association (WMA)
eMeter Corporation